UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

HUNTAIR, INC.))) Case No. 07 C 6890
Plaintiff,)) The Honorable David H. Coar
vs.)) Magistrate Judge Morton Denlow
CLIMATECRAFT, INC.)
Defendant.	,

REPORT OF PARTIES' PLANNING CONFERENCE

Pursuant to this court's order, Richard F. McCaulley, Jr. representing the plaintiff, and Charles C. Kinne representing the defendant, met on January 25, 2008 pursuant to Rule 26(f) to discuss:

- 1. The nature and basis of their claims and defenses;
- 2. The possibilities for a prompt settlement or resolution of this case;
- 3. To make or arrange for the disclosures required under Rule 26(a)(1); and
- 4. To develop a discovery plan.

To that end, the parties propose the following:

- A. The issues in this case may be simplified by taking the following steps:
 - At the present time, the parties are not aware of any steps that would simplify this case.
- B. The following modifications to the discovery requirements of the Federal Rules of Civil Procedure or Local Rules should be made in order to expedite discovery:
 - Both parties have served discovery requests. At the present time, neither party believes that any modifications are necessary.
- C. Discovery will be needed on the following subjects:
 - 1. The structure, function and operation of any products alleged to fall within the scope of the claims of the patents in suit;

- 2. The financial information relevant to evaluate appropriate damages;
- 3. The defendant's development of the accused products, and the plaintiff's development of the alleged invention, including the prosecution history of the patents in suit and plaintiff's knowledge of prior art;
- 4. The parties' communication with customers and potential customers concerning
 (a) any products alleged to fall within the scope of the claims of the patents in suit
 and (b) the patents in suit;
- 5. Prior art; and
- 6. Any discovery necessary to support or rebut contentions raised by the parties.
- D. Discovery should/should not be conducted in phases.

The parties do not presently believe it is necessary to conduct discovery in phases.

E. Discovery is likely to be contentious and management of discovery should be referred to the Magistrate Judge.

Yes	No	X
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F. The parties consent/do not consent to this matter being referred to the Magistrate Judge for final disposition.

The parties do not consent to referral of this matter to the Magistrate Judge for final disposition.

- G. The parties have discussed the possibility of alternative dispute resolution and concluded:
 - The parties believe that alternative dispute resolution is premature at this point.
- H. The parties have discussed a prompt settlement or other resolution of this matter.
 - Presently there does not appear to be a mutually acceptable basis for settling the matter.
- I. The Court should consider the following methods of expediting the resolution of this matter:

The parties have no suggestions for the Court on this topic at this time.

Respectfully	submitted,
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Dated: February 14, 2008 /s/ Richard T. McCaulley, Jr. David T. Pritikin Richard T. McCaulley, Jr. Stephanie Pauline Smith Koh SIDLEY AUSTIN LLP One South Dearborn Street Chicago, Illinois 60603 Telephone: (312) 853-7000 Facsimile: (312) 853-7036 dpritikin@sidley.com rmccaulley@sidley.com skoh@sidley.com Attorneys for Huntair, Inc. Respectfully submitted, Dated: February 14, 2008 /s/ Charles C. Kinne (with consent) Charles C. Kinne FITCH EVEN TABIN & FLANNERY

FITCH EVEN TABIN & FLANNERY
120 S. LaSalle Street, Suite 1600
Chicago, Illinois 60603
Telephone: (312) 577-7000

Facsimile: (312) 577-7007

ckinne@fitcheven.com

Attorney for ClimateCraft, Inc.

So ordered:

The Honorable David H. Coar United States District Judge